



TA CORPORATION LTD  
(Company Registration No. 201105512R)

**Unaudited Third Quarter and 9 Months Financial Statements and Dividend Announcement for the Period Ended 30.09.2016**

**PART I - INFORMATION REQUIRED FOR QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR ANNOUNCEMENTS**

**1(a)(i) A Statement of Comprehensive Income, for the Group, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Notes	GROUP					
		3 months ended			9 months ended		
		30.09.2016 S\$'000	30.09.2015 S\$'000	Change %	30.09.2016 S\$'000	30.09.2015 S\$'000	Change %
<b>Revenue</b>		50,125	70,551	(29.0)	138,487	214,824	(35.5)
Cost of sales		(40,886)	(63,885)	(36.0)	(112,582)	(184,837)	(39.1)
<b>Gross profit</b>		9,239	6,666	38.6	25,905	29,987	(13.6)
Other income	1	669	1,781	(62.4)	2,750	4,547	(39.5)
Selling and distribution cost		(338)	(133)	154.1	(757)	(538)	40.7
General and administrative expenses		(4,434)	(4,175)	6.2	(14,111)	(11,924)	18.3
Other operating expenses	2	(17,339)	(19,922)	(13.0)	(23,614)	(40,796)	(42.1)
Share of profit (loss), net of tax of associates and joint ventures	3	(234)	(803)	(70.9)	3,595	(87)	NM
Finance cost		(2,383)	(1,497)	59.2	(8,083)	(4,412)	83.2
<b>Loss before income tax</b>	4	(14,820)	(18,083)	(18.0)	(14,315)	(23,223)	(38.4)
Income tax expense		(739)	(883)	(16.3)	(1,538)	(3,196)	(51.9)
<b>Loss after income tax</b>		(15,559)	(18,966)	(18.0)	(15,853)	(26,419)	(40.0)
Other comprehensive income (loss):							
Exchange differences on translation of foreign operations		523	711	(26.4)	(1,185)	487	NM
Loss in fair value on available-for-sale investments		-	12	NM	-	(14)	NM
<b>Total comprehensive loss for the period</b>		(15,036)	(18,243)	(17.6)	(17,038)	(25,946)	(34.3)
Profit (Loss) attributable to :							
Owners of the Company		(9,989)	(18,855)	(47.0)	(9,823)	(26,483)	(62.9)
Non-controlling interests		(5,570)	(111)	NM	(6,030)	64	NM
		(15,559)	(18,966)	(18.0)	(15,853)	(26,419)	(40.0)
Total comprehensive income (loss) attributable to:							
Owners of the Company		(9,594)	(18,378)	(47.8)	(10,460)	(26,341)	(60.3)
Non-controlling interests		(5,442)	135	NM	(6,578)	395	NM
		(15,036)	(18,243)	(17.6)	(17,038)	(25,946)	(34.3)
NM = Not meaningful							

## 1(a)(ii) Notes to Statement of Comprehensive Income

### 1. Other income

	<b>Group</b>	
	<b>9 months ended</b>	
	<b>30.09.2016</b>	<b>30.09.2015</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Rental income	373	1,796
Gain on disposal of property, plant and equipment	42	261
Gain on sale of available-for-sale investments	-	32
Service fees income	358	554
Interest income	1,185	1,282
Others	792	622
	<b>2,750</b>	<b>4,547</b>

### 2. Other operating expenses

Other operating expenses decreased by S\$17.2 million to S\$23.6 million for nine months ended 30 September 2016 ("9M2016") compared to the same corresponding period ("9M2015"). These were mainly due to the absence of impairment loss on investment in associate, lower impairment of receivables due from associate and lower impairment loss on development properties compared to 9M2015, partially offset by the loss in fair value of investment properties mainly from Tuas South Dormitory.

### 3. Share of profit, net of tax of associates and joint ventures

The share of profit, net of tax of associates and joint ventures for 9M2016 comprises mainly the share of profit from associates engaged in property development in Singapore and distribution business in Myanmar, which are partially off-set by share of losses from other associates and joint ventures.

### 4. Loss before income tax

	<b>Group</b>	
	<b>9 months ended</b>	
	<b>30.09.2016</b>	<b>30.09.2015</b>
	<b>S\$'000</b>	<b>S\$'000</b>
Loss before income tax for the period is stated after charging/ (crediting) the following:		
Allowance for doubtful trade and other receivables, net	963	20,888
(Reversal of) Impairment loss on other non-current assets	(6)	33
Depreciation expense	3,341	3,581
Property, plant and equipment written off	-	277
Allowance for obsolete inventories	94	-
Fair value change in derivative financial instrument	717	-
Gain on disposal of property, plant and equipment, net	(42)	(261)
Gain on sale of available-for-sale investments	-	(32)
Loss in fair value of investment properties	13,700	910
Impairment loss on development properties, net	2,000	8,100
Impairment loss on investment in associate	-	4,811
Interest income	(1,185)	(1,282)
Under (Over) provision of income tax in prior years	382	(52)

**1(b)(i) A Statement of Financial Position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year.**

	Group		Company	
	30.09.2016 S\$'000	31.12.2015 S\$'000	30.09.2016 S\$'000	31.12.2015 S\$'000
<b>ASSETS</b>				
<b>Current assets</b>				
Cash and bank balances	124,127	78,886	57,289	666
Trade and other receivables	102,757	137,012	2,903	9,732
Deposits and prepayments	4,163	4,059	23	20
Inventories	7,909	5,763	-	-
Development properties	171,372	165,034	-	-
<b>Total current assets</b>	<b>410,328</b>	<b>390,754</b>	<b>60,215</b>	<b>10,418</b>
<b>Non-current assets</b>				
Property, plant and equipment	43,494	40,185	-	-
Investment properties	257,176	269,275	-	-
Subsidiaries	-	-	116,965	116,965
Goodwill	2,595	2,595	-	-
Associates and joint ventures	14,397	9,719	-	-
Trade and other receivables	25,347	67,261	84,852	95,903
Other non-current assets	324	318	-	-
Derivative financial instrument	66	783	-	-
<b>Total non-current assets</b>	<b>343,399</b>	<b>390,136</b>	<b>201,817</b>	<b>212,868</b>
<b>Total assets</b>	<b>753,727</b>	<b>780,890</b>	<b>262,032</b>	<b>223,286</b>
<b>LIABILITIES AND EQUITY</b>				
<b>Current liabilities</b>				
Borrowings	51,518	82,014	-	-
Term notes	74,218	74,588	74,218	74,588
Trade and other payables	111,185	128,617	1,990	973
Current portion of finance leases	331	295	-	-
Income tax payable	1,462	8,523	-	-
<b>Total current liabilities</b>	<b>238,714</b>	<b>294,037</b>	<b>76,208</b>	<b>75,561</b>
<b>Non-current liabilities</b>				
Borrowings	229,353	229,230	-	-
Finance leases	383	431	-	-
Term notes	39,734	-	39,734	-
Trade and other payables	38,121	32,035	-	-
Deferred tax liabilities	257	300	-	-
<b>Total non-current liabilities</b>	<b>307,848</b>	<b>261,996</b>	<b>39,734</b>	<b>-</b>
<b>Capital, reserves and non-controlling interests</b>				
Share capital	146,157	142,185	146,157	142,185
Capital reserve	644	644	-	-
Translation and other reserves	558	1,195	-	-
Retained earnings (Accumulated loss)	57,886	72,295	(67)	5,540
Equity attributable to owners of the Company	205,245	216,319	146,090	147,725
Non-controlling interests	1,920	8,538	-	-
<b>Total equity</b>	<b>207,165</b>	<b>224,857</b>	<b>146,090</b>	<b>147,725</b>
<b>Total liabilities and equity</b>	<b>753,727</b>	<b>780,890</b>	<b>262,032</b>	<b>223,286</b>

**1(b)(ii) Aggregate amount of Group's borrowings and debt securities.**

	As at 30.09.2016		As at 31.12.2015	
	Secured S\$'000	Unsecured S\$'000	Secured S\$'000	Unsecured S\$'000
Amount repayable in one year or less, or on demand	51,849	74,218	68,490	88,407
Amount repayable after one year	229,736	39,734	229,661	-
Total	281,585	113,952	298,151	88,407

**Details of any collateral**

Collateral for the above secured borrowings include mortgages over the Group's investment properties, development properties, leasehold properties, certain property, plant and equipment and fixed deposits. The bank facilities are also secured by corporate guarantees from the Company and certain of these facilities are also secured by guarantees from certain minority shareholders of partially-owned subsidiaries.

**1(c) A Consolidated Statement of Cash Flows (for the Group), together with a comparative statement for the corresponding period of the immediately preceding financial year.**

	Group	
	9 months ended	
	30.09.2016 S\$'000	30.09.2015 S\$'000
<b>Operating activities</b>		
Loss before income tax	(14,315)	(23,223)
Adjustments for :		
Depreciation expense	3,341	3,581
Interest income	(1,185)	(1,282)
Interest expense	8,083	4,413
Fair value change in derivative financial instrument	717	176
Property, plant and equipment written off	-	277
Allowance for obsolete inventories	94	-
Share of (profit) loss of associates and joint ventures	(3,595)	87
Gain on disposal of property, plant and equipment, net	(42)	(261)
Gain on sale of available-for-sale investments	-	(32)
Impairment loss on investment in an associate	-	4,811
(Reversal of) Impairment loss on other non-current assets	(6)	33
Loss in fair value of investment properties	13,700	910
Impairment loss on development properties, net	2,000	8,100
Allowance for doubtful trade and other receivables, net	963	20,888
Operating cash flows before movements in working capital	9,755	18,478
Trade and other receivables	32,115	1,034
Deposits and prepayments	(104)	(162)
Inventories	(2,240)	(1,646)
Development properties	(5,219)	16,970
Trade and other payables	(11,036)	8,532
Cash generated from operations	23,271	43,206
Income tax paid	(8,642)	(4,992)
Interest paid	(12,020)	(9,527)
Net cash from operating activities	2,609	28,687

**Investing activities**

Interest received	1,185	1,282
Purchase of property, plant and equipment	(6,546)	(7,194)
Proceeds from disposal of property, plant and equipment	43	267
Addition to investment properties	(783)	(53,048)
Additional investment in associates and joint ventures	(1,265)	(8,824)
Repayment from (Advance to) associates and joint ventures	42,128	(14,135)
Acquisition of derivative financial instrument	(310)	(310)
Proceeds from sale of available-for-sale investments	-	4,007
Net cash from (used in) investing activities	34,452	(77,955)
<b>Financing activities</b>		
Proceeds from term notes, net	39,645	-
Proceeds from borrowings	43,386	80,017
Repayment of borrowings	(74,039)	(65,709)
Repayment of obligations under finance leases	(243)	(311)
Proceeds from issue of shares in subsidiaries to non-controlling shareholders	264	455
Pledged fixed deposits	(1,274)	(1,998)
Dividends paid to non-controlling shareholders	(240)	(1,714)
Dividends paid	(678)	(4,650)
Net cash from financing activities	6,821	6,090
Increase (Decrease) in cash and cash equivalents	43,882	(43,178)
Cash and cash equivalents at beginning of the period	75,796	115,711
Effect of exchange rate changes	85	529
<b>Cash and cash equivalents at end of the period</b>	<b>119,763</b>	<b>73,062</b>

Cash and cash equivalents at end of the period comprise the following:

Cash and bank balances	89,569	49,262
Fixed deposits	34,558	26,890
	124,127	76,152
Less: pledged fixed deposits	(4,364)	(3,090)
Cash and cash equivalents at end of the period	119,763	73,062

**1(d)(i) A Statement of Changes in Equity (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year.**

<u>Group (\$S'000)</u>	<u>Share capital</u>	<u>Capital reserve</u>	<u>Translation and other reserves</u>	<u>Retained earnings</u>	<u>Equity attributable to owners of the Company</u>	<u>Non-controlling interests</u>	<u>Total equity</u>
Balance at January 1, 2015	142,185	644	761	100,798	244,388	9,557	253,945
<i>Total comprehensive income (loss) for the year</i>							
Loss for the year	-	-	-	(23,853)	(23,853)	(112)	(23,965)
Other comprehensive income for the year	-	-	434	-	434	284	718
Total	-	-	434	(23,853)	(23,419)	172	(23,247)
<i>Transactions with owners, recognised directly in equity</i>							
Proceed from issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	455	455
Effect of acquiring non-controlling interest in a subsidiary	-	-	-	-	-	4	4
Dividends paid	-	-	-	(4,650)	(4,650)	-	(4,650)
Dividends paid to non-controlling shareholders	-	-	-	-	-	(1,650)	(1,650)
Total	-	-	-	(4,650)	(4,650)	(1,191)	(5,841)
Balance at December 31, 2015	142,185	644	1,195	72,295	216,319	8,538	224,857
<i>Total comprehensive loss for the period</i>							
Loss for the period	-	-	-	(9,823)	(9,823)	(6,030)	(15,853)
Other comprehensive loss for the period	-	-	(637)	-	(637)	(548)	(1,185)
Total	-	-	(637)	(9,823)	(10,460)	(6,578)	(17,038)
<i>Transactions with owners, recognised directly in equity</i>							
Proceed from issue of shares in subsidiaries to non-controlling shareholders	-	-	-	-	-	264	264
Effect of deemed disposal to non-controlling interest in a subsidiary	-	-	-	64	64	(64)	-
Issue of shares pursuant to scrip dividend scheme	3,972	-	-	-	3,972	-	3,972
Dividends paid							
- in cash	-	-	-	(678)	(678)	-	(678)
- in scrip	-	-	-	(3,972)	(3,972)	-	(3,972)
Dividends paid to non-controlling shareholders	-	-	-	-	-	(240)	(240)
Total	3,972	-	-	(4,586)	(614)	(40)	(654)
Balance at September 30, 2016	146,157	644	558	57,886	205,245	1,920	207,165

<u>Company (S\$'000)</u>	<u>Share capital</u>	<u>Retained earnings (Accumulated loss)</u>	<u>Total equity</u>
Balance at January 1, 2015	142,185	5,461	147,646
Total comprehensive income for the year	-	4,726	4,726
Dividends paid	-	(4,650)	(4,650)
Balance at December 31, 2015	142,185	5,540	147,725
Total comprehensive loss for the period	-	(957)	(957)
Issue of shares pursuant to scrip dividend scheme	3,972	-	3,972
Dividends paid			
- in cash	-	(678)	(678)
- in scrip	-	(3,972)	(3,972)
Balance at September 30, 2016	146,157	(67)	146,090

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Total number of issued ordinary shares as at 30 September 2016 was 482,270,359 as compared to 465,000,000 as at 31 December 2015. The movement in the Company's issued share capital was as follows:

	Number of ordinary shares
Issued share capital as at 1 January 2016	465,000,000
Issue of ordinary shares pursuant to TA Corporation Ltd. Scrip Dividend Scheme	<u>17,270,359</u>
Issued share capital as at 30 June and 30 September 2016	<u>482,270,359</u>

There are no changes in the Company's issued share capital for the 3 months ended 30 September 2016. As at the end of 30 September 2016, the Company does not have any outstanding convertibles or treasury shares (31 December 2015: Nil).

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding financial year.**

The total number of shares at 30 September 2016 was 482,270,359 (31 December 2015: 465,000,000). The Company has no treasury shares.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2 Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice.**

The figures have not been audited nor reviewed by the Company's auditors.

**3 Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of a matter).**

Not applicable.

**4 Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied.**

As disclosed in paragraph 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial period as compared with those used in the audited financial statements for the year ended 31 December 2015.

**5 If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effects of, the change.**

Not applicable.

**6 Earnings (Loss) per ordinary share of the Group for the current financial period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends.**

(i) Loss per ordinary share based on weighted average number of shares (in cents)

(ii) Loss per ordinary share based on a fully diluted basis (in cents)

Weighted average number of ordinary shares (in millions)

<b>Group</b>	
<b>9 months ended</b>	
<b>30.09.2016</b>	<b>30.09.2015</b>
(2.1)	(5.7)
(2.1)	(5.7)
472.7	465.0

As there were no outstanding potentially dilutive ordinary shares, the diluted earnings per ordinary shares were the same as the earnings per ordinary shares based on the weighted average number of shares for the respective periods.

**7 Net asset value (for the issuer and Group) per ordinary share based on the total number of issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year.**

Net asset value per ordinary share issued (in cents)

Total number of issued shares at end of the financial period (in millions)

	<b>Group</b>		<b>Company</b>	
	<b>30.09.2016</b>	<b>31.12.2015</b>	<b>30.09.2016</b>	<b>31.12.2015</b>
42.6	46.5	30.3	31.8	
482.3	465.0	482.3	465.0	

There were no treasury shares at the end of the respective financial periods.

**8 A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs and earnings of the Group for the current financial period reported on, including (where applicable) seasonal or cyclical factors. It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Review of Group performance**

The overall Group's revenue for 9M2016 was S\$138.5 million, a decrease of S\$76.3 million compared to S\$214.8 million for the corresponding period in 9M2015.



Real estate development segment recorded S\$29.2 million revenue for 9M2016, a decrease of 49.7% compared to S\$58.0 million for 9M2015. The decrease was mainly due to the absence of revenue contribution from a project which achieved Temporary Occupation Permit (“TOP”) in December 2015 and lower contribution from on-going projects. Overseas development projects contributed revenue of S\$10.2 million in 9M2016 upon the completion and handover of sold units to buyers.

Construction segment recorded revenue of S\$96.5 million for 9M2016, a decrease of 32.9% compared to S\$143.8 million for 9M2015 due to lower progressive construction work completed for on-going projects.

Distribution of lubricants and tyres generated S\$12.8 million revenue for 9M2016, a marginal decrease of 1.5% from S\$13.0 million in 9M2015.

In line with lower revenue, gross profit decreased by 13.6% to S\$25.9 million for current period compared to S\$30.0 million for 9M2015.

Other income decreased by S\$1.8 million to S\$2.7 million for 9M2016 compared to S\$4.5 million for 9M2015. The decrease was mainly due to classification of investment property rental income to revenue in current period compared to 9M2015.

Selling and distribution cost increased by S\$0.3 million to S\$0.8 million for 9M2016 compared to S\$0.5 million for 9M2015. The increase was mainly due to show-flat cost incurred on a local development project in current period.

General and administrative expenses increased by S\$2.2 million to S\$14.1 million mainly due to cost incurred for operating the Tuas South Dormitory which commenced operations in 2016, higher personnel cost for real estate and air-conditioning and mechanical ventilation system business in Cambodia; and travelling cost for business development.

Other operating expenses decreased by S\$17.2 million to S\$23.6 million for 9M2016 compared to S\$40.8 million for 9M2015. These were mainly due to the absence of impairment loss on investment in associate, lower impairment of receivables due from associate and lower impairment loss on development properties compared to 9M2015, partially offset by the loss in fair value of investment properties mainly from Tuas South Dormitory.

Finance cost increased by S\$3.7 million to S\$8.1 million for 9M2016 compared to 9M2015 mainly due to interest accrued on the Series 2 term notes issued and lower interest being capitalised upon TOP of the development projects.

The Group recorded a loss before tax of S\$14.3 million in 9M2016 compared to loss before income tax of S\$23.2 million in 9M2015. Income tax expense is higher than the statutory tax rate as the loss in fair value of investment properties of S\$13.7 million, the impairment loss of S\$2.0 million on the development properties and certain expenses are not tax deductible.

#### **Review of working capital, assets and liabilities**

The changes in assets and liabilities are as follows:

- i) decrease in trade and other receivables by S\$76.2 million was mainly due to collection from customers and repayment of advances from an associate.
- ii) increase in inventories by S\$2.1 million was mainly due to higher inventory held for trading.
- iii) increase in associates and joint ventures by S\$4.7 million as a result of additional investment in joint ventures and share of profit in the current period.
- iv) decrease in borrowings by S\$30.4 million mainly to repayment of borrowings as and when due.
- v) increase in non-current term notes by S\$39.7 million arising from issue of principal amount of S\$40.0 million Series 2 term notes due in March 2018 with coupon of 5.50% under the S\$300 million multi-currency medium term notes programme net of issue costs.

Cash and cash equivalents increased by S\$43.9 million in 9M2016 mainly from the following items: cash flow from operating activities was S\$2.6 million deriving from collection of progress billings on properties sold. S\$34.5 million was from investing activities mainly on repayment of advance by associates and joint ventures and S\$6.8 million of net cash inflows from financing activities resulting mainly from net proceeds from the Series 2 term notes of S\$39.7 million, repayment of bank loans net of additional bank loans of S\$30.7 million and cash dividend paid to shareholders and non-controlling interest of S\$0.9 million.

**9 Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results.**

The company has not made any forecast or prospect statement for the period ended 30 September 2016 previously.

**10 A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

The Urban Redevelopment Authority (“URA”) reported in its 3rd quarter 2016 real estate statistics dated 28 October 2016 that prices of private residential properties decreased by 1.5% in 3rd quarter 2016, compared to the 0.4% price decline in 2nd quarter 2016. The weak sentiment for the Singapore private residential property market is expected to persist.

The Group’s dormitory business, which has recently added an additional 3,672 beds upon obtaining TOP for the second phase of its Tuas South Dormitory in May 2016, was impacted by the worsening conditions of the offshore and marine and the manufacturing segments. Both these segments are expected to continue to be sluggish resulting in many companies in these sectors reducing headcount. In these challenging market conditions, the Group will continue its effort to increase the occupancy rate in its dormitory business.

The construction sector for private residential construction continues to be challenging in light of reduced demand arising from the weak private residential market sentiment in Singapore. Despite the continuing challenging conditions, the Group remains confident of its construction segment’s performance underpinned by our order book of S\$195 million as at 30 September 2016, to be delivered progressively over the next two years as well as continued efforts to increase productivity and manage costs.

The Group will continue to remain focused and cautious while on the lookout for business opportunities both locally and overseas.

**11 Dividend**

**(a) Current Financial Period Reported On**

- (i) Any dividend declared for the current financial period reported on? No.
- (ii) Any dividend recommended for the current financial period reported on? No.

**(b) Corresponding period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year? No.

**(c) Date payable**

Not Applicable.

**(d) Books closure date**

Not Applicable.

**12 If no dividend has been declared / recommended, a statement to that effect.**

No dividend has been declared or recommended in the current financial period.

**13 If the group has obtained general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920 (1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect.**

The Group has not obtained a general mandate for interested person transactions. During the period, the following interested person transactions were entered into by the Group:

Name of Interested person	Aggregate value of all interested person transactions during the financial period under review (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920 )		Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Listing Manual Rule 920 (excluding transactions less than S\$100,000)	
	3 months ended 30 September 2016	9 months ended 30 September 2016	3 months ended 30 September 2016	9 months ended 30 September 2016
	S\$'000	S\$'000	S\$'000	S\$'000
Liong Kiam Teck (Note 1)	(89)	598	N.A.	N.A.
Prestige Resources Pte Ltd	74	224	N.A.	N.A.
Edgewell Investments Pte. Ltd.	62	182	N.A.	N.A.
TAC Alliance Pte. Ltd.	45	135	N.A.	N.A.

Note 1:

On 22 January 2014, a subsidiary entered into a cost-plus contract with Mr Liong Kiam Teck, the Executive Chairman of the Company, for the erection of three 3-storey strata bungalows. Under the contract, estimated cost of S\$4 million plus a 5% mark up on cost incurred shall be billed progressively according to work done. For the nine months ended 30 September 2016, final billing of S\$597,654 was rendered which resulted in a reversal of S\$88,607 as billings rendered for 6 months ended 30 June 2016 was S\$686,261. As at 30 September 2016, cumulative billing of S\$4,565,707 has been rendered based on certified work done. The project achieved TOP in the 4<sup>th</sup> quarter 2015.

**14 Confirmation that the issuer has procured undertakings from all its directors and executive officers (in the format set out in Appendix 7.7) pursuant to Rule 720(1) of the Listing Manual**

We confirm that the Company has procured undertakings from all its directors and the executive officer based on the latest revised format set out in Appendix 7.7.

**15 Confirmation pursuant to Rule 705(5) of the Listing Manual**

We confirm on behalf of the Board of Directors, that, to the best of our knowledge, nothing has come to the attention of the Board of Directors which may render the unaudited third quarter financial results of the Group and the Company for the period ended 30 September 2016 to be false or misleading in any material aspect.

On behalf of the Board of Directors

Liong Kiam Teck  
Executive Chairman

Neo Tiam Boon  
Chief Executive Officer and Director

**BY ORDER OF THE BOARD**

Foo Soon Soo/ Yap Ming Choo  
Company Secretaries

9 November 2016